



MAINE REAL ESTATE NEWS



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from the director's desk

Carol J. Leighton

Commission Announces Important Changes: Continuing Education Reporting Process, New Core Course and Computer-based Exams

Continuing Education Reporting

Effective January 1, 2002 licensees will no longer be required to provide documentation of their 15 clock hours to renew. Submission of the renewal application will certify to the Commission that the licensee has completed 15 clock hours (including the 3 clock hour core course) within the biennial license term. A certain percentage of renewals will be audited each month and the licensees subject to the audit will be required to submit the course completion certificates to the Commission. This process will replace the longstanding process of submitting the certificates at the time of renewal and the more recent process of the Commission recording the course title and number of hours on each licensee's electronic file from course rosters submitted by sponsors. More detailed information on the continuing education audit process is provided on page 2.

Inactive licensees applying for an active license will still be required to submit the course certificates with the application to activate.

New Core Course

Effective January 1, 2002 the mandatory three-hour core course required to renew and/or activate a license will be "Fair Housing & Diversity Core Course". The course is currently available and a schedule of offerings is listed on page 7.

Electronic-based Examinations

The Commission has completed the bid process for development and administration of electronic-based examinations for the sales agent, associate broker and non-resident/renewal examinations. The contract has been awarded to Assessment Systems, Inc. ("ASI") located in Bala Cynwyd, Pennsylvania. The Commission will be meeting with ASI's test development team within the next month and subsequent meetings will be scheduled with course instructors and sponsors. It is anticipated that examinations will continue to be administered by the Commission at its offices in Gardiner for the next few months until ASI and the Commission have completed the test development process.

Upon the transfer of the examination administration from the Commission staff to ASI, examination applicants will be able to schedule their examination date and location (two examination sites are available – Bangor and Portland) directly with ASI. The examination will be an electronic-based system called EXPro. Examination applicants will receive their score report immediately after completing the examination. This feature along with the scheduling flexibility, exam test site choices and many other features to be offered will greatly enhance the examination process for Maine applicants.

CORE COURSE 2000 OR FAIR HOUSING & DIVERSITY?

Confused about which course you need to take to satisfy the core requirement for renewal?

If your license is due for renewal between now and December 31, 2001 **and** you renew within that timeframe, you may take any one of the following for your core requirement:

- ☞ Core Course 2000;
- ☞ Core Course 2000 for Designated Brokers; or
- ☞ Fair Housing & Diversity

If your license expires between now and December 31, but you do not renew until January 1, 2002 or later, you **must** take;

- ☞ Fair Housing & Diversity.

If your license is due for renewal on or after January 1, 2002, regardless of when you renew, you **must** take;

- ☞ Fair Housing & Diversity.

Beginning January 1, the old core courses may be counted as part of your total continuing education requirement but will not fulfill the core requirement.

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!!! SPECIAL ALERT !!!

CHANGES TO THE RENEWAL PROCESS YOU *NEED* TO KNOW ABOUT

— NEW CONTINUING EDUCATION AUDIT BEGINS JANUARY 1, 2002.

IF YOU RENEW YOUR LICENSE ON OR AFTER JANUARY 1:

- **YOU DO NOT NEED TO SUBMIT PROOF OF CONTINUING EDUCATION AT THE TIME YOU RENEW.** You must still complete 15 hours of continuing education *before* you renew, but you will not need to submit proof of completion *at the time* you renew. By submitting your renewal application, you are certifying that you have met all the requirements for renewal, including completion of 15 hours of continuing education.
- **YOU MAY REPEAT COURSES TAKEN FOR PREVIOUS RENEWALS.** Beginning January 1, you may repeat any course you may have taken for a previous renewal and will no longer need to be concerned about duplicating a course. However, you may **not** take a course twice within the same renewal period.
- **YOU MAY BE AUDITED TO SHOW THAT YOU HAVE COMPLIED WITH THE CONTINUING EDUCATION REQUIREMENT.** In lieu of checking each and every licensee for compliance with the continuing education requirement, the Commission will audit a small number of renewed licensees each month. If you are audited, you will be required to submit proof that you completed 15 hours of approved continuing education on or before the date you submitted your renewal application to the Commission.

ALSO EFFECTIVE JANUARY 1:

- **THE COMMISSION WILL NO LONGER MAINTAIN CONTINUING EDUCATION RECORDS.** As of January 1, the Commission will delete all continuing education records from its licensing system and will discontinue the long-standing practice of maintaining licensee's education records. The Commission will have no record of courses you completed before January 1, nor will the Commission record courses and hours you complete after January 1. You will be responsible for keeping track of your own continuing education records and will not be able to verify your education with the Commission.
- **CONTINUING EDUCATION PROVIDERS WILL NO LONGER SUBMIT COURSE ATTENDANCE ROSTERS TO THE COMMISSION.** As a result, your course certificate is your *only* proof that you completed a course.

It is especially important that you receive a certificate of completion for every course you take and store your certificates in a secure place. You will be required to produce physical proof that you completed the continuing education requirement if you are audited and may be subject to disciplinary action if you are unable to do so. DO NOT SEND YOUR CERTIFICATES TO THE COMMISSION FOR SAFE KEEPING. Certificates submitted to our office will be returned or destroyed.

— LATE RENEWAL FEE ENACTED SEPTEMBER 9, 2001

- **BEGINNING SEPTEMBER 9, LICENSEES WHO RENEW AFTER THEIR LICENSE EXPIRE DATE MUST PAY A \$50 LATE RENEWAL FEE.** The new rule was promulgated by the Office of Licensing & Registration and applies to all agencies under its purview, including the Real Estate Commission. The fee is assessed for all types of licenses, including inactive, and applies to any licensee who renews after the license expire date. Keep in mind, however, that even though a late penalty is assessed, licensees must still renew within 90 days of the expire date to avoid losing the license.

— CORE COURSE

- **FAIR HOUSING & DIVERSITY CORE COURSE REQUIRED FOR ALL LICENSEES WHO RENEW OR WHOSE LICENSE IS DUE FOR RENEWAL ON OR AFTER JANUARY 1, 2002.** There is only one version of this course and it is required for all license types, including designated brokers. Licensees who are due to renew between now and December 31, 2001 may use Core Course 2000 (either version) or Fair Housing & Diversity to satisfy the core course requirement. Licensees whose licenses are due for renewal or who renew a license on or after January 1, 2002 **MUST** take the Fair Housing & Diversity Core Course.

CURRENT CASES

Karen L. Bivins, Deputy Director

On April 19, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Don E. Winston of Presque Isle, Maine. Winston is the designated broker of an agency that had listed a residential property. A licensee from Winston's company showed the property to a buyer who wanted to rent it. The licensee prepared a landlord/tenant lease which was rejected by the seller.

The same buyer subsequently made an offer to purchase the property. The offer included an earnest money deposit of \$1,000.00 to be held in Winston's agency trust account. In addition, a rental agreement was prepared for the buyer to rent the property until the closing. The buyer included in the rental agreement a provision that the deposit of \$1,000.00 would be nonrefundable if the purchase did not close. No wording was added to the purchase and sale agreement or the rental agreement cross referencing the earnest money statement in the rental agreement to the earnest money statement in the purchase and sale agreement. The seller accepted both documents.

The earnest money deposit was received from the buyer on June 15, 1998. It was not deposited into the agency trust account until July 6, 1998.

During July 1998, the buyer failed to obtain financing. The seller informed the buyer that she did not wish to continue renting the property and ordered the buyer to vacate. The seller contacted Winston and requested the earnest money deposit. The buyer also contacted Winston for the return of the deposit. Winston determined that the funds were nonrefundable and authorized their release to the seller, without providing written notice to the parties of his good faith decision to release the deposit to the seller.

Winston was found in violation of 32 M.R.S.A. § 13067(1)(F) and (G), and Chapter 320 Sections 3(C) and 3(I)(3) of the Maine Real Estate Commission Rules. He agreed to pay a fine of \$500.00.☉

On April 19, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Philip E. Robinson of Thomaston, Maine.

Robinson is a designated broker who listed a residential property in 1994 and obtained information to complete a preprinted property disclosure form. Robinson again listed the same property in 1997. He reviewed the property disclosure form, but made no changes to it.

The form used by Robinson did not provide the minimum disclosure information required by the Maine Real Estate Commission Rules. It did not include information about the location of the private water supply, the date of installation of the water supply, or whether the seller has experienced a problem such as an unsatisfactory water test or a water test with notations. The form did not provide for information about insulation in a crawl space. The form did not include information about the location of a septic tank, the date of installation of the septic tank, the location of the leach field, the date of installation of the leach field, the date of the most recent servicing of the private waste disposal system, or the name of the contractor who services the system. The form did not include a statement encouraging buyers to seek information from professionals regarding any specific hazardous material issue or concern.

Subsequently, Robinson began using a different property disclosure form that included all the minimum property disclosure requirements of the Commission rules.

Robinson was found in violation of 32 M.R.S.A. § 13067(1)(F) and (G), and Chapter 330 Section 15(A) of the Maine Real Estate Commission Rules in effect at that time. He agreed to pay a fine of \$300.00.☉

On April 19, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Kevin A. King of South Portland, Maine. King is a designated broker who was convicted in January 1999 of a Class D crime of "Failing to File Tax Return." King did not notify the Commission of the conviction until January 2001 when he renewed his designated broker license.

King was found in violation of 32 M.R.S.A. § 13195. He agreed to pay a fine of \$200.00.☉

On April 19, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Ronald L. Hill of Saco, Maine. Hill is a sales agent who disclosed on his license application that he had two convictions for "Possession Class D

with Intent to Distribute" marijuana. The convictions were in Massachusetts.

In a meeting with the Director, Hill subsequently provided additional information about the convictions. One of the convictions resulted in a jail sentence of one year. Hill served 11 months of the sentence and was placed on probation. His probation term is due to end on September 4, 2001. During the meeting, Hill disclosed additional convictions for "Possession of Marijuana" and "Compulsory Insurance Violation and Attaching Wrong Plates."

Hill was found in violation of 32 M.R.S.A. § 13067(1)(H). He agreed to pay a fine of \$200.00, and to submit monthly reports from his probation officer and designated broker for the remainder of his probation term.☉

On April 19, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Roger S. Brawn of Dexter, Maine. Brawn is a designated broker who had a residential property listed with his agency. The property was shown to a buyer, and subsequently a purchase and sale agreement was entered into by the sellers and the buyer. The contract included an earnest money deposit of \$100.00. The sale was to close by March 15, 2000.

On January 27, 2000 the buyer informed Brawn that he was not going to purchase the property. On January 31, 2000 the buyer notified Brawn that he had changed his mind and wanted to go forward with the purchase. The buyer delivered to Brawn an additional deposit of \$400.00. On February 21, 2000 Brawn received a letter from the buyer stating that he was not going to purchase the property and requesting the return of the earnest money deposit. Brawn informed the sellers, who claimed the deposit.

Brawn released the \$500.00 earnest money deposit to the sellers without obtaining written releases from the parties, and without complying with the procedures for making a good faith decision about releasing a disputed deposit.

Brawn was found in violation of 32 M.R.S.A. § 13067(1)(F) and Chapter 320 Section 3(I) of the Maine Real Estate Commission Rules. He agreed to pay a fine of \$400.00.☉

On April 19, 2001 the members of the Commission accepted a consent agreement

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SECRET REAL ESTATE DEALS RAISE REGULATORY, ETHICAL QUESTIONS

By Will Lund, Director of the State of Maine Office of Consumer Credit Regulation

MREC Director's Note:

The Commission has received reports indicating that real estate licensees may be participating in what has been described as "mortgage schemes". It has been reported that these schemes typically involve transactions where the buyer's credit requires more than the down payment agreed to in the sales contract. A proposal is made (by the lender and/or real estate licensee) to increase the contract sales price, to an amount that will show a much larger down payment, and the seller agrees to hold a second mortgage in the amount of the "increase". In most instances, the MLS price is also changed. The day after closing, the second mortgage is discharged without payment from the buyer. This type of mortgage scheme is a fraudulent real estate transaction and real estate licensees participating in such schemes may be subject to disciplinary sanctions by the Real Estate Commission and be in violation of federal law. Real estate licensees should not assume that participation in such schemes by a mortgage broker and/or real estate appraiser legitimizes the transaction.

The following article by Will Lund, Director of the Office of Consumer Credit Regulation, describes this fraudulent practice.

Evidence in Maine and other states of inflated, fictitious pricing of houses for financing purposes has raised serious regulatory challenges and ethical concerns.

Under this scheme, if a consumer cannot come up with the necessary down payment, the listing price of the house is raised by agreement among the buyer, seller and broker. The increased amount is incorporated into a "second mortgage" taken back by the seller. After the sale, this "second mortgage" is disregarded by all parties, and is discharged by the seller without payment.

The purpose of the arrangement is to improve the loan-to-value ratio reflected on the loan documents, which then are sold on the secondary market.

This type of complicit deal is relatively new to the residential housing market, but in reality it is a variation on a theme which has been practiced in auto sales for years ("I'll give you \$2,000 for your '72 Pinto in trade toward this '99 Kia!"). In the auto trade, it is known as "overallowance," and the Office of Consumer Credit Regulation has taken action in the past to make certain that the practice does not work to the disadvantage of consumers, especially when repossessed vehicles are resold.

To explain: If a car is repossessed and resold, the former owner is supposed to get credit for the new sale price, against his or her "deficiency balance," which is the debt resulting from the default and repossession. When our agency's compliance examiners found that the former owners weren't getting full credit shown on the subsequent sale documents, the dealers explained that that was because the dealers had "overallowed" on the values of vehicles traded in by the new purchasers. In other words, a \$10,000 sale wasn't

really a \$10,000 sale, because the dealer had given a \$2,000 trade-in allowance for the new purchaser's '72 Pinto that was really worth \$300.

Our office told dealers that they were going to be held to the figures shown on the documentation, and we issued an Advisory Ruling requiring that the former owners be given the full credit shown on the new purchase paperwork. It was a directive that was not popular among many auto dealers, who said that we simply didn't understand the way that car sales worked.

In the case of house sales, the dollar amounts (and stakes) are much higher. Practicing "overallowance" in the residential arena raises many legal issues, and poses several regulatory and consumer protection challenges. Among the questions raised:

1) Who's the victim? One can argue that the consumer is a victim because he or she is subject to predatory lending for being encouraged to take on more debt than can be afforded. In addition, a primary "victim" is the mortgage company, which has established certain lending guidelines, only to have those guidelines circumvented. This "victimization" is a safety and soundness concern; i.e., the mortgage company's portfolio now contains loans for which the company is either undersecured, or overconfident about the abilities of the debtors to repay the debts.

2) The consumer is implicated in a fraud. Our office doesn't like these deals because they make the consumers into co-conspirators. The consumers are likely instructed to sign revised applications, attesting to the accuracy of the selling figures. By this time, they know the books are cooked. Are they liable for making false statements on the

applications if the plots come unraveled? Are the real estate brokers co-conspirators for facilitating the deals?

3) Knowledge of the lenders. Do the lenders know this is going on, and do they turn a blind eye to the practice? If so, do they do so knowing that their company may well plan to bundle up these loans and resell them to tertiary buyers and investors?

4) Are appraisers involved? It is unlikely that the revised deal would fly if an appraisal does not support the higher purchase price. And even if the appraisal does support the higher selling price, does that somehow reduce the wrong inherent in the misrepresentation? Around the country, predatory lending and real estate fraud cases often involve the complicity of appraisers, and if appraisers have knowledge of coordinated price inflation practices, it may be a slippery slope that will lead to future problems. We have already seen cases in which out of state lenders have sent written appraisals back to Maine for clarification, something that was not done in the past and which may signal that secondary market purchasers do not afford appraisers the unquestioned confidence once exhibited toward that profession.

We hope that this practice will cease, because if it continues and grows, the logical conclusion is a case in which a major problem arises, the cover is blown, and all parties to the transaction blame each other (and one another's professions) for initiating or perpetuating the arrangements. This will lead to a loss in prestige for all concerned, and will also lead the secondary market to require additional information and assurances of honest dealings from all parties to the transaction. The real estate, appraisal and lending industries should encourage and even sponsor a campaign of correction before such corrections are required from legislative or regulatory sources.

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entered into by the Director and James C. Alex of Burlington, Massachusetts. Alex is the designated broker of an agency that became licensed in Maine on July 16, 1998.

In 1997, Alex's agency brokered the sale of two properties in Maine owned by Grossman's Lumber. The sales resulted in commissions to the agency of approximately \$40,000.00. Although Alex is the designated broker of the agency, he was not involved in the sales of the Grossman's property.

On behalf of the agency, Alex was found in violation of 32 M.R.S.A. § 13003. He and the agency agreed to pay a fine of \$40,000.00.Ⓢ

On April 19, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Don E. Winston of Presque Isle, Maine. Winston is a designated broker who, in January 1997, listed for sale with his agency a mobile home park. Winston was informed by the seller's attorney that there was a Judgment of Foreclosure and Order of Sale on the property. Winston also was aware that the seller was an unsophisticated real estate seller.

In July 1997 the park ran out of water. The seller told Winston that she had been told she had to install a new well at the park. She also told Winston that the cost would be about \$10,000.00 and that she did not have the money. Subsequently, Winston drove by the park and saw vehicles from a local well drilling company. Winston assumed that the well drilling company was drilling a new well. He did not confirm his assumption with the seller or through other investigation. Winston did not amend the property disclosure form to include the problems that had been encountered with the water supply.

At a later time, after the listing agreement expired, a buyer came forward to purchase the property. Winston presented the buyer's offer to the seller, and she countered the offer. Winston prepared a new property disclosure form using information from the previous form, information he obtained from other sources about the waste disposal system and hazardous materials, as well as his assumption about the new well. He indicated on the form that since the new well had been installed, there had been no problems experienced. Winston reviewed the form with the seller, who did not correct or amend any of the information.

Winston forwarded the seller's counter offer and the new property disclosure form to the buyer and the seller's attorney. The attorneys for the parties negotiated the transaction from that point forward.

The buyer made his own inquiries of the well drilling company and was told that everything was up to date, but was not told that a new well had been drilled. The buyer did not make any further inquiries of Winston regarding the water supply.

Winston was found in violation of 32 M.R.S.A. § 13067(1)(F) and (G), and Chapter 330 Section 15(A) of the Maine Real Estate Commission Rules in effect at that time. He agreed to pay a fine of \$1,500.00.Ⓢ

On April 19, 2001 the members of the Commission ratified their decision reached after a hearing on February 15, 2001 involving Georgia G. Chomas of Auburn, Maine. Chomas is a designated broker who was requested by the Commission staff to submit a copy of her written agency policy for review, along with a response to a complaint that had been filed with the Commission. Written requests were made to Chomas on November 1, 1999; July 28, 2000; September 1, 2000; September 27, 2000; October 10, 2000; and November 20, 2000.

Chomas prepared a response to the complaint at some point, but did not know until just prior to the hearing that the policy that was to have been included with the response had been filed in her office. Chomas also stated that the letter to her of November 20, 2000 had been filed without her seeing it. She stated that she was not aware that the policy had not been received by the Commission until she received the notice that a hearing had been scheduled.

Chomas was found in violation of 32 M.R.S.A. § 13067(1)(L). She was ordered to pay a fine of \$500.00, and to submit her agency policy within 10 days.Ⓢ

On April 19, 2001 the members of the Commission accepted a consent agreement entered into by the Director and David A. Foster of Windham, Maine. Foster was a sales agent whose license expired on May 8, 2000. He did not become licensed as an associate broker until September 21, 2000. Foster continued to conduct brokerage on behalf of the agency without being properly licensed.

Foster was found in violation of 32 M.R.S.A. §§ 13003 and 13067(1)(K). He agreed to pay a fine of \$700.00.Ⓢ

On June 7, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Michael E. Bibeau of East Wilton, Maine. Bibeau is a sales agent who failed to disclose a criminal conviction. Bibeau stated on his sales agent license application that he had not been convicted of a crime by any court. After the license was issued, the Director learned that Bibeau had been convicted in 1992 of theft by unauthorized taking. After being contacted by the Director, Bibeau submitted an amendment to the application disclosing the conviction.

Bibeau was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13191(1). He agreed to pay a fine of \$100.00.Ⓢ

On June 7, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Jeffrey L. Breton of Auburn, Maine. Breton is a sales agent who failed to disclose a criminal conviction. Breton stated on his sales agent license application that he had not been convicted of a crime by any court. After the license was issued, the Director learned that Breton had been convicted in 1976 of disorderly conduct. After being contacted by the Director, Breton submitted an amendment to the application disclosing the conviction.

Breton was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13191(1). He agreed to pay a fine of \$100.00.Ⓢ

On June 7, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Madonna R. Moore of Lewiston, Maine. Moore is a sales agent who failed to disclose a criminal conviction. Moore stated on her sales agent license application that she had not been convicted of a crime by any court. After the license was issued, the Director learned that Moore had been convicted in 1986 of false public alarm or report, in 1990 of unauthorized use of property, and in 1991 of theft by unauthorized taking. After being contacted by the Director, Moore submitted an amendment to the application disclosing the convictions.

Moore was found in violation of 32 M.R.S.A. §§ 13067(1)(A) and 13191(1). She agreed to pay a fine of \$300.00.Ⓢ

On June 7, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Richard J. Perry of Winslow, Maine. Perry is a sales

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agent who failed to disclose a criminal conviction. Perry stated on his sales agent license application that he had been convicted of operating under the influence in 1990. After the license was issued, the Director learned that Perry had been convicted in 1992 of negotiating a worthless instrument. After being contacted by the Director, Perry submitted an amendment to the application disclosing the conviction.

Perry was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13191(1). He agreed to pay a fine of \$100.00.☺

On August 2, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Kimberly B. Nightingale of Gardiner, Maine. Nightingale is a broker who allowed a buyer of property to have access to the property before closing, without the permission of the sellers.

Nightingale represented the sellers of property, who lived out of state. A buyer entered into a purchase and sale agreement with the sellers, and a closing date was set. Prior to the closing, the buyer requested access to the property to begin renovations. Nightingale allowed the buyer to have access without first seeking approval of the sellers.

The closing was rescheduled to a later date due to the title company needing addition documents in order to close. The buyer had intended to move into the property after closing, so she requested that she be able to move in prior to the new closing date. Her agent contacted Nightingale, who said she needed to talk to the sellers first, but if the buyer agent did not hear back from her, then an early move was acceptable. Nightingale did not contact the sellers, and the buyer moved into the property. Shortly thereafter, one of the sellers went to the property to remove a few remaining belongings and discovered the buyer in the house. During the investigation, the sellers requested that their complaint be dismissed.

Nightingale was found in violation of two counts of 32 M.R.S.A. § 13067(1)(G). She agreed to pay a fine of \$400.00.☺

On August 2, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Kevin J. D'Amboise of Scarborough, Maine. D'Amboise is a broker who failed to comply with his company's agency policy in presenting clients with required documents.

D'Amboise entered into a verbal buyer

broker agreement with buyers looking for residential property. Although the agency policy required that D'Amboise explain appointed agency and disclosed dual agency, and obtain the written consent of the buyers on appropriate forms, D'Amboise did not present the buyers with either the appointed agency agreement or the disclosed dual agency consent agreement, nor did he obtain their consent to either.

D'Amboise was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13275(1), and Chapter 330 Sections 7 and 8(B) of the Maine Real Estate Commission Rules. He agreed to pay a fine of \$300.00.☺

On August 2, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Erika H. Lindquist of Bar Harbor, Maine. Lindquist is a sales agent who failed to disclose a criminal conviction. Lindquist stated on her sales agent license application that she had not been convicted of a crime by any court. After the license was issued, the Director learned that Lindquist had been convicted in 1998 of theft by unauthorized taking. After being contacted by the Director, Lindquist submitted an amendment to the application disclosing the conviction.

Lindquist was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13191(1). She agreed to pay a fine of \$100.00.☺

On August 2, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Laurie L. Therrien of Auburn, Maine. Therrien is a sales agent who failed to disclose a criminal conviction. Therrien stated on her sales agent license application that she had not been convicted of a crime by any court. After the license was issued, the Director learned that Therrien had been convicted in 1994 of theft by deception. After being contacted by the Director, Therrien submitted an amendment to the application disclosing the conviction.

Therrien was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13191(1). She agreed to pay a fine of \$100.00.☺

On August 2, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Robert W. Monte of Bangor, Maine. Monte is a sales agent who failed to disclose a criminal conviction. Monte stated on his sales agent license application that he had not been convicted of a crime by any court. After the

license was issued, the Director learned that Monte had been convicted in 1993 of criminal mischief. After being contacted by the Director, Monte submitted an amendment to the application disclosing the conviction.

Monte was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13191(1). He agreed to pay a fine of \$100.00.☺

On September 20, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Donald L. DeMerchant of Waterville, Maine. DeMerchant is a sales agent who failed to disclose criminal convictions. DeMerchant stated on his sales agent license application that he had not been convicted of a crime by any court. After the license was issued, the Director learned that DeMerchant had been convicted in 1999 of assault, and in 2001 of criminal trespass. After being contacted by the Director, DeMerchant submitted an amendment to the application disclosing the convictions.

DeMerchant was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13191(1). He agreed to pay a fine of \$200.00.☺

On September 20, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Robert A. Fenton of Belfast, Maine. Fenton is a real estate broker who failed to disclose a criminal conviction. Fenton stated on his 1995 associate broker license application that he had not been convicted of by any court for any offense. On his 2001 broker license application, Fenton stated that he had not been convicted of a crime by any court. After the broker license was issued, the Director learned that Fenton had been convicted in 1981 of unlawful furnishing of a scheduled Z drug. After being contacted by the Director, Fenton submitted an amendment to the application disclosing the conviction.

Fenton was found in violation of 32 M.R.S.A. §§ 13067(1)(F) and 13191(1). He agreed to pay a fine of \$200.00.☺

On September 20, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Peter G. McPheeters of Biddeford Pool, Maine. McPheeters was a designated broker whose license expired on April 13, 2000. His individual proprietor agency license expired on October 30, 2000. The agency affiliates continued to conduct brokerage while the agency and McPheeters were not properly

licensed. On June 12, 2001, a new corporate agency license was issued, with a different designated broker. On July 11, 2001 McPheeters was relicensed as a broker.

McPheeters was found in violation of 32 M.R.S.A. §§ 13003, 13067(1)(I)(2), and 13067(1)(K). He agreed to pay a fine of \$2,500.00.☺

On September 20, 2001 the members of the Commission ratified their decision reached after a hearing held the same day, involving Madonna R. Moore of Lewiston, Maine. Moore is a sales agent who entered into a consent agreement with the Director on June 7, 2001 in which she agreed to pay a fine of \$300.00 by June 30, 2001. Moore did not pay the fine and did not communicate with the Commission about her failure to pay.

Moore was found in violation of 32 M.R.S.A. § 13067(1)(M). The Commission ordered the immediate suspension of Moore's sales agent license until such time as she complies with the terms of the June 7, 2001 consent agreement.☹

On September 20, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Guy J. Palmieri of East Wilton, Maine. Palmieri is a broker who failed to notify the Director of a material change to the qualifications of his original license application within 10 days of the change.

Palmieri was originally licensed in 1991. In 1998 he was convicted of indecent conduct. He did not notify the Director of the conviction within 10 days. He did not disclose the conviction as part of his 1999 license renewal application. In 2001 Palmieri submitted his license renewal application and did disclose the 1998 conviction.

Palmieri was found in violation of 32 M.R.S.A. § 13195. He agreed to pay a fine of \$100.00.☺

On September 25, 2001 the members of the Commission accepted a consent agreement entered into by the Director and Mary M. Smart of Lincoln, Maine. Smart's corporate agency license expired on January 28, 2001 and was not renewed until February 22, 2001. During that time, Smart allowed agency affiliates to conduct brokerage on behalf of the agency without being properly licensed.

Smart was found in violation of 32 M.R.S.A. §§ 13003, 13067(1)(I)(2), and 13067(1)(K). She agreed to pay a fine of \$500.00.☹

MREC WEB UPDATE

The Commission's web site continues to grow with the addition of the **ON-LINE COMPLAINT DATABASE** by which you may access information about disciplinary actions imposed for the years 2000 and 2001. In Addition, all our **FORMS, APPLICATIONS & PUBLICATIONS** are now available on-line as well as **PRE-LICENSE AND CONTINUING EDUCATION COURSE SCHEDULES**.

And, don't forget, you can **RENEW ON-LINE** providing your continuing education hours are on record with the Commission. Try it out, it's quick and easy! Beginning January 1, renewing on-line will be even easier with the implementation of the new CE honor system, whereby you will **not** be required to show proof of CE to renew. (See "From the Director's Desk" on page 1 and "Special Alert" on page 2 for more information about the new continuing education process.)

Also, coming soon is our **LIVE LICENSEE DATABASE**. You will be able to look-up any individual licensed by the Office of Licensing & Registration to check on vital statistics such as current license status, expire date or company affiliation. We hope to have the database up and running sometime within the next month or so.

VISIT the COMMISSION'S SITE @ www.maineprofessionalreg.org. Click the green menu button titled "View List of Licensed Professions" and choose Real Estate Brokers from the pop-up list. Check in often see what's new and feel free to email us with your comments about the site.

FAIR HOUSING & DIVERSITY CORE COURSE

The Real Estate Commission has received notification that the new core course will be offered on the following dates at the locations indicated. Contact the course provider for more information or to register for a course.

Visit the Commission's website at www.maineprofessionalreg.org for a list of all continuing education courses on our schedule.

DON'T FORGET Beginning January 1, 2002, **ONLY** Fair Housing & Diversity Core Course will satisfy the core education requirement for renewal or activation of a license.

DATE	LOCATION	PROVIDER	PHONE
11-6-01	Kittery	Arthur Gary School of Real Estate	856-1712
11-8-01	Bangor	Center for Real Estate Education	228-8400
11-15-01	Bar Harbor	Acadia School of Real Estate	288-3062
11-29-01	Westbrook	Arthur Gary School of Real Estate	856-1712
11-29-01	Augusta	Center for Real Estate Education	228-8400
12-5-01	Portland	Center for Real Estate Education	228-8400
12-12-01	Augusta	Arthur Gary School of Real Estate	856-1712
12-13-01	Bangor	Arthur Gary School of Real Estate	856-1712
3-21-02	Bar Harbor	Acadia School of Real Estate	288-3062
6-20-02	Bar Harbor	Acadia School of Real Estate	288-3062

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ToxFAQs™

Real Estate professionals are often expected to possess a higher level of knowledge about hazardous waste and toxic substance issues than the general public. Do you or your customers and clients need more information on the toxic effects of hazardous substances? If so, the US Department of Health and Human Services, Agency for Toxic Substances and Disease Registry, (ATSDR) can help. ToxFAQs™ are information sheets provided by the ATSDR that address some of the most frequently asked questions about hazardous substances. The ToxFAQs™ sheets briefly summarize ATSDR's toxicological profiles for a host of toxic substances and include a general overview of the substance, how someone might be exposed, relevant toxicological properties and health effects and how to get more information.

ToxFAQs™ sheets as well, as other ATSDR information and products, are available on-line at www.atsdr.cdc.gov or you may contact the ATSDR Information Center by phone at 1-888-422-8737.

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